

A 3801\*2 - 25 May  
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A 3853- 29 May.  
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A 4216 - 12 June  
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## CONGRESSIONAL RECORD — APPENDIX

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a former Rhodes scholar to Britain's Oxford University—had not succeeded so well in muzzling the military, I am sure we would have heard much from those outraged gentlemen by this time. They are very wise in these matters and really know the score.

## AND PROTEST, TOO?

I have met a number of admirals and generals in our armed services in times past. Never ran into one who did not understand 10 times more about correct military science and tactics than Senator FULBRIGHT or the appeasement-minded ADA will ever know.

Yet the Arkansas solon, in his controversial memorandum to the Pentagon, downgraded the American officers who have insisted that the only way to defeat the monstrous Red totalitarian threat is with strength instead of weakness. The public is overwhelmingly on their side.

Frank Jameson, the knowledgeable Navy leaguer, reiterated many of the arguments used in this column in previous months. He pointed out that we are far superior to the Communist bluffs in raw military power—and they would pull in their horns if we called them.

Let's make the Red bullies put up, or shut up. Watch them back down.

## The Doctor's Little Black Bag

EXTENSION OF REMARKS  
OF

HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Saturday, October 13, 1962

Mr. DERWINSKI. Mr. Speaker, one of the faults of the time is the failure to appreciate our legitimate national accomplishments. The traditional devotion of the doctor to his patients is dramatized by the doctor's little black bag, which is the visible trademark of the medical profession. Under leave, I insert in the RECORD at this point the editorial of the Pointer Publications of October 4, 1962, which in an appreciative manner discusses the subject of medical service:

## THE DOCTOR'S LITTLE BLACK BAG

The doctor's little black bag—the traditional symbol of American medicine—follows a different path today than it did 50 years ago. Then it made most of its trips between the doctor's office and the patient's home; today it travels most frequently between the office and the hospital.

"The little black bag's altered path illustrates the changing patterns of medical practice—the trend toward centralizing medical care in the hospital," according to Sister Marie Duchesne, administrator of St. Francis Hospital.

Medical care has shifted from the home to the hospital, and with the shift, a new ingredient has been added to patient care—the highly technical methods resulting from the scientific revolution of the 20th century, she said.

The contents of the doctor's little black bag have changed only slightly in the last 50 years, but the changes again illustrate the trend toward the hospital. Added to the bag are some new drugs—particularly antibiotics and stimulants for starting stopped hearts. Subtracted are the equipment and instruments the doctor used at the patient's home for surgery, obstetrics, and emergency treatment of injuries. Nowadays, the doctor admits surgical and obstetrical patients to the

hospital and meets the injured patient at the hospital's emergency room.

The hospital has indeed become the community's center for health care. In the past 50 years, it has added laboratories, diagnostic X-ray machines, cobalt units, pharmacies, and a host of other facilities necessary for the patient's recovery. As new scientific equipment is developed and proven effective, it is added by hospitals to help save lives and combat disease. This dramatic progress has meant added years of life for many persons.

"Just as every medical service provided in the patient's home was accompanied by the doctor and his little black bag, so today hospital services are administered individually to meet the needs of each patient," Sister said. Hospital people are highly trained to provide the exact treatment or medication the doctor prescribes.

Individual concern for each patient is synonymous with hospital care. The scientific services are necessary for the patient's speedy recovery, but hospitals also recognize the patient's need for emotional support. Hospital people strive to provide this support by means of individual and personal services for patients and their families. Additionally, hospitals are adding many services which make each patient's recuperation more pleasant.

The care provided in today's hospital scientifically exceeds that provided from the little black bag of 50 years ago, but the tender loving care which accompanied the doctor's visit is also still present in the hospital.

In conclusion, Sister commented, "This combination of personal interest and scientific advances found at St. Francis Hospital is summed up in the theme 'Your hospital—uniting science and patient care.'"

## Who Will Get Tax Windfall?

EXTENSION OF REMARKS  
OF

HON. WILLIAM PROXMIRE

OF WISCONSIN

IN THE SENATE OF THE UNITED STATES

Saturday, October 13, 1962

Mr. PROXMIRE. Mr. President, the October issue of Public Power contained a very important article that should be of interest to all concerned about the formulation and evaluation of national tax policy. I ask unanimous consent to insert this article in the Appendix of the RECORD and I hope that this article will be considered carefully by those that would add more loopholes to the tax structure in the name of tax reform.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WHO WILL GET TAX WINDFALL?—CONGRESS VOTES POWER COMPANIES NEW "TAX CREDIT" BONANZA; COMMISSION REOPENS QUESTION OF "PHANTOM TAX" ACCOUNTING  
(By J. D. Brown)

The old question of whether private power companies will pass tax savings on to their consumers is being revived this fall, with two power company tax bonanzas involved.

A new tax cut for the power companies, approved early this month by the Congress, has been estimated to cut the Federal income tax bill of the private power companies by about \$100 million a year, or around 9 percent. The question: will the power companies pass this new tax saving on to their consumers, or will they use the tax savings solely for the benefit of stockholders?

An old tax savings provision, under which power companies have accumulated well over \$1.5 billion in tax savings, is up next month for reconsideration by the Federal Power Commission. This is the so-called "liberalized depreciation" provision of the Internal Revenue Code of 1954, which along with the defense-related fast tax writeoffs has been a prime source of interest-free capital for many power companies. Next month FPC will hear oral argument to determine whether the Commission will maintain its past policy—that the companies keep these tax savings—or whether FPC will institute a new policy of having the companies "flow through" these tax benefits to consumers.

Since the private power companies, which proudly advertise about the amount of taxes they pay, now have two major methods of cutting their Federal tax bill, the two tax subsidies should be considered separately.

## CONGRESS APPROVES NEW TAX CUT

The newest tax cut provision for private power companies, approved this month by the Congress, is a 3 percent "investment credit" measure. It works this way: for every \$100 which a power company invests in new plant, the company can deduct \$3 from its Federal income tax bill.

But it should be emphasized that this is not a reduction of just 3 percent in taxes. For the private power industry, as a whole, it means an average tax cut of about 9 percent; and for some power companies it can mean tax cuts of as much as 20 percent or more, depending on how great their investments in new plant will be.

For example: According to a table published in the CONGRESSIONAL RECORD, Consolidated Edison Co., which reportedly plans to invest \$270 million in new plant during 1962, could reduce its Federal taxes by 3 percent of this amount, or \$8.1 million. This would mean a 21.9-percent reduction in the company's 1962 Federal income tax bill. Likewise, based on companies' reported 1962 capital spending plans, Alabama Power Co. could cut its Federal tax bill by 13 percent; Ohio Power by 10 percent; Public Service Co. of Colorado, by 16 percent; Union Electric, by 17 percent; and Virginia Electric & Power, by 10 percent.

An amendment offered September 4 on the Senate floor to knock out the 3-percent tax windfall for private utilities was defeated 16 to 49. Voting for the amendment (and therefore voting against the new tax subsidy for private power companies) were Senators of such diverse viewpoints as Senators HARRY F. BYRD, Democrat, of Virginia, ALBERT GORE, Democrat, of Tennessee, STROM THURMOND, Democrat, of South Carolina, WILLIAM PROXMIRE, Democrat, of Wisconsin, and FRANK J. LAUSCHE, Democrat, of Ohio.

In a joint statement, Senators PAUL H. DOUGLAS, Democrat, of Illinois, and GORE attacked the tax credit for utilities: "The 3-percent credit which is to go to utilities would be completely wasted and is wholly unnecessary. The rate of return of the private utilities is regulated by both State and Federal bodies." Then the Senators' statement summarized a key point: "If regulation is properly carried out, then any favorable tax consequences of the credit would be offset by reductions in the rates charged to consumers. If not properly carried out, it would be an outright gift to the private utilities, for it would merely increase their rate of return above that set by the regulatory bodies."

The question, then, for the private power companies: Will they accept this "outright gift," and keep the tax savings for their stockholders; or will they consider the rate-payers' viewpoint and pass the tax savings along to their consumers through lower rates? If history is a guide, the power companies will vigorously oppose any effort to

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ican public his side of the story. Japan, as the former enemy country and supposed classical country of starvation wages, had to overcome a psychological handicap. Last, but not least, the Federal Republic in her new political structure, German industry in toto, and individual enterprises, such as the old "weapons manufacturer" Krupp, had to and still have to regain much of the formerly existing good will.

This international public relations work has suddenly made headlines during the last weeks and months. In the chase for sensational news, well-founded background information did not matter.

This was triggered by announcement of hearings on foreign agents of Senator Fulbright and his Senate Foreign Relations Committee. The translation of "hearing" with the German term "untersuchung" and of "foreign agents" with "auslandsagenten" is entirely justified, but in the German language these terms assume a double meaning which invited sensational stories.

The fact of the matter is that a hearing—as is the case here—serves to hear witnesses, and the evidence gathered serves to determine whether there is a need for an embarrassing investigation. The foreign agents are not cloak-and-dagger agents but simply public relations representatives of a foreign client. They are required to register with the Department of Justice in Washington under this ambiguous term and file their income.

## POLITICIANS AS FOREIGN AGENTS

There are quite respectable gentlemen in this group as borne out by the fact that distinguished politicians, such as the former Secretary of State Dean Acheson, former governor of New York and presidential candidate, Thomas E. Dewey, and the present Under Secretary of State George W. Ball, have represented the interests of foreign clients. So far there has not been any change in this situation which is demonstrated by the fact that the same "huntsman of agents," Senator Fulbright, and his committee, confirmed the appointment of Abba Schwartz as head of the vitally important Internal Security Division in the State Department. Until then, Abba Schwartz was public relations representative for the Netherlands Government.

What really compounded the confusion was the gay and indiscriminatory use of the expressions "foreign agent" and "lobbyist." The Department of Justice notes a substantial difference between these two terms. There is a distinct difference between these terms in the registration, and a foreign agent would be called on the carpet by the FBI immediately if he were to try to influence the legislative process as a lobbyist.

This careless lack of knowledge on the part of German correspondents in America, and the consequent incorrect reports moved Hilenbrand, chief of the German Affairs Office at the State Department in Washington, to intervene with the German journalists concerned. This also prompted the Democratic Senator, EDWARD V. LONG, to make the following statement on the floor of the Senate on September 18:

"I am convinced that confusion exists in the public mind as to the respective roles of the lobbyist and the foreign agent. Many people apparently believe that they are one and the same. Such is certainly not the case. In this regard, I might mention that several unfortunate articles recently have appeared on the subject in the German press. It was obvious that these publications did not even comprehend the difference between a lobbyist and a foreign agent. Some German newspapers went so far as to write that one of the most reputable foreign agents in the United States may be involved in a hearing by the State Department."

This statement certainly reflects misunderstanding and confusion.

"It is unfortunate that many people are wont to confuse the activities of one person such as Alexander Guterman, who represented the dictator, Trujillo, and who was prosecuted for not registering as a foreign agent, when the actual foreign agent registration files in the Department of Justice include the names of some of the most prominent men in our country.

"I might list just a few of these gentlemen, who either are or have been registered foreign agents: former Secretary of State Dean Acheson, the Honorable Thomas E. Dewey, John and Franklin Roosevelt, Under Secretary of State George W. Ball, and Maj. Gen. Julius Klein \* \* \* this country spends many millions of dollars annually to protect the proper image of America in foreign countries. It is heartening that the Western European democracies are cooperating in encouraging mutual understanding."

## A BOOST FOR THE LOBBYISTS

It should not be overlooked either that President Kennedy also not only knows the value of public relations, but holds this work in high regard. When still a Senator, he spoke in behalf of lobbyists in an article in the New York Times:

"Lobbyists are in many cases expert technicians and capable of explaining complex and difficult subjects in a clear, understandable fashion. Competent lobbyists can present the most persuasive arguments in support of their positions. Indeed, there is no more effective manner of learning all important arguments and facts on a controversial issue than to have the opposing lobbyists present their cases. They frequently can provide useful statistics and information not otherwise available."

Public relations is a reputable activity in America and as Kennedy further pointed out in his article, it is regarded in the same unprejudiced manner as the work of an attorney leading his client's case in court with all facts available to him and with all eloquence he is capable of. It is a matter of course in such a climate that business and industry and politics value the services of a public relations expert highly and that businessmen personally take an active part in politics to create a favorable climate for their interests—just as, for instance, the labor unions do.

## Russian Missiles in Cuba

EXTENSION OF REMARKS  
OF

HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Saturday, October 13, 1962

Mr. ROUSSELOT. Mr. Speaker, almost 1 year ago on November 21, 1961, to be exact, George Todt reported in a column entitled "George Todt's Opinion," which appeared in the Los Angeles Herald Express—now the Los Angeles Herald Examiner—that a vast supply of rocket missiles with nuclear warheads had been unloaded in Cuba. At the time I commented publicly on the missile buildup in Cuba using Todt's column as one of my sources of information. The accuracy of Todt's report has been borne out by recent disclosures. So that my colleagues will know what Todt said, I will place the subject column in the Appendix of the CONGRESSIONAL RECORD;

## GEORGE TODT'S OPINION—RUSS MISSILES IN CUBA

("Republics are brought to their ends by luxury; monarchies by poverty."—Montesquieu, "The Spirit of the Laws.")

What would the American people do if they knew that 10 large Russian ships had unloaded a vast supply of rocket missiles with nuclear warheads—to be aimed at eastern cities in the United States—in Cuban ports recently?

A better way to put this question would be to say:

"What are we going to do about it?"

According to a brilliant young Los Angeles industrialist, Frank Gard Jameson—immediate past president of the U.S. Navy League—10 Red ships came from Murmansk to Cuban ports recently and unloaded their deadly nuclear hardware for the infamous Communist murderer and tyrant, Fidel Castro.

## QUESTION, SIR

Jameson is a man who knows what he is talking about and the question naturally arises: Why has there been a blackout regarding this vital news in our mass communications media?

Is it because certain peace-at-any-price advocates, such as Senator J. William Fulbright, Adlai Stevenson, and Edward R. Murrow, for example, might not like it if the not-to-be-trusted public got the facts?

Would such distressing news hamper the unflinching, unyielding efforts of some key individuals on the famous fourth floor of the Department of State as they press on with heads bloody but unbowed to snatch defeat from the jaws of victory now?

## IT'S FOR YOU

Most of all, would it hurt our drape shape, new look with the great uncommitted nations of the world? Is it possible that they would no longer love us if we had to denounce brave little Cuba for stocking up on nuclear rockets—designed to massacre our people in their sleep some fine morning?

I do not know the exact answers to all these intriguing questions, but they are something for us all to ponder upon.

Let me remove my tongue from my cheek at this point to write, quite simply, that I believe it to be criminal dereliction of duty for our leaders to permit the Soviet Union to unload nuclear hardware at Cuban rocket bases now or at any other time.

The Cuban missile sites should be knocked out and destroyed. Without delay. Period.

## WILL YOU STIR

I think Mr. Khrushchev has cunningly contrived and designed this much-ado-about-nothing Berlin mess in order to take our eye off the ball. And the ball is Cuba. It is a massive missile base complex where Red intermediate range ballistic missiles (IRBM) can be aimed at all our major cities east of the Mississippi River.

Jameson pointed out that these deadly steel birds will be ready in a couple of months. Castro is keeping relatively quiet for the moment. But watch the forthcoming play when the Russian rockets are in place.

Our seemingly great predilection for our Berlin castle on the global chessboard may be blinding us to the fact that the wily Red opposition is moving toward a possible checkmate by threatening our king—or home base—here in the United States.

Red IRBM's in the Caribbean cockpit could interdict our Strategic Air Command bases—including SAC headquarters in Omaha, Nebr.—if allowed to be placed in position to be fired at us from Cuba.

From the viewpoint of professional military men this kind of sins of omission might rightly be labeled suicidal on our part.

If the darling of the Americans for Democratic Action—Senator J. WILLIAM FULBRIGHT,